

This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 VILNIUS 001323

SIPDIS

STATE FOR EUR/NB

E.O. 12958: DECL: 10/24/2014

TAGS: [PGOV](#) [PREL](#) [LH](#)

SUBJECT: LABOR LEADS LITHUANIAN ELECTIONS; BRAZAUSKAS WILL
LEAD COALITION-MAKING PROCESS

REF: VILNIUS 774

Classified By: Pol/Econ Officer Nancy Cohen for reasons 1.4(b)
and (d).

11. (C) Summary. Victor Uspaskich's Labor Party won a plurality in the final round of Lithuanian parliamentary elections, October 24, but failed to guarantee its place in a ruling coalition. Over the next few weeks, President Valdas Adamkus must invite the leader of the winning party or coalition to form a government. Since the law allows the President to nominate the leader of a post-election coalition, Uspaskich is not the only potential nominee for Prime Minister. Intense political maneuvering will determine the configuration of the next government. Of the two most likely unions, one would tilt leftward with Labor and the Brazauskas-Paulauskas Party as its core, while the other would unite left, right, and center and exclude Labor. Numbers and politics dictate that the Brazauskas-Paulauskas coalition will be in the Government. Our best guess is that the coalition will opt to choose Labor as a partner, despite Adamkus' efforts to the contrary. End Summary.

The Final Count: Labor at the Head of the Pack

12. (U) Lithuania's Labor Party took 39 seats of a total 141 in parliamentary elections that ended October 24. The Brazauskas-Paulauskas Coalition (Social Democratic and New Union Parties) came in with 31 seats. The final tally looks like this:

Labor Party	39
Brazauskas-Paulauskas	31
Conservatives	25
Liberal Center	18
Pakas Coalition	11
Peasant Party	10
Independents	7

13. (U) Margins of victory of four to 61 votes in three districts have triggered recounts and some independent MPs may announce new political allegiance to one party or another, but overall numbers will not change dramatically. Accusations of vote buying, especially associated with mailed ballots, have been widespread, but no party has yet challenged the final results or the general fairness of the election. The election will nearly double the number of women in Lithuania's parliament (Seimas), bringing the total to 29 or roughly 20 percent of the chamber's membership. Labor accounts for most of the new women MPs. Of the former 137 sitting members of parliament, only 58 will return in the new Seimas.

Next Steps: The Mechanics and Timetable

14. (U) It falls to Lithuania's President Valdas Adamkus to convene the next parliament and nominate the Prime Minister. The first session of the new Seimas should begin between November 10 and 15. The President then has 15 days to present formally his choice for PM, and the legislature must vote the President's candidate up or down within a week. The new Prime Minister has 15 days from confirmation within which to propose his Cabinet (with Presidential endorsement) to the Seimas, which then has another two weeks to approve the slate. The earliest a new Government could take power is November 16; the latest January 6, 2005. If the Seimas rejects the President's PM candidate twice, it's back to the drawing board -- the President can call for new parliamentary elections. (We don't foresee that happening, however.)

Coalition Building

Left and Center

15. (C) Since no party or coalition emerged with an outright majority, all are wrangling for position in an eventual ruling coalition. The President will interview the chairperson of each political party on October 25 to discuss coalition options, and the party leaders are meeting among themselves to determine viable partnership arrangements.

16. (C) Today, one day after the final vote, a left-tilting alliance seems the likeliest outcome. Immediately after the results were in, Uspaskich formed an alliance with Kazimiera Prunskiene's Peasant Party, picking up an additional ten seats. Uspaskich also announced that, if the Social Democrats and New Union join his block, he would accept current PM Brazauskas as the Prime Minister, fulfilling the PM's previously stated condition for an alliance with Labor. The center-left coalition Uspaskich outlined would have ideological coherence and a solid 80 seats. Uspaskich said he would welcome the center-right Liberal and Center Party to the fold in order to obtain the broadest possible coalition -- not to mention another 18 seats. Upon exiting his interview with Adamkus later in the day, Brazauskas said he was considering an invitation from the Uspaskich-Prunskiene alliance to form a coalition.

Rainbow Coalition

17. (C) The most viable alternative to the leftist-centrist coalition would embrace political parties of nearly all stripes -- except Labor -- and has earned the title "rainbow coalition." As votes were being cast, Vytautis Landsbergis, father of the Lithuania's independence movement and former Conservative party leader, called for such a coalition. The union of leftist Social Democrats and New Union with the Liberal and Center Party and Conservatives would achieve a majority and keep Uspaskich out of the Government, Landsbergis's stated goal. Given the ideological and programmatic differences of these parties, however, such an alliance would be unwieldy. Already, these interparty differences are complicating its creation, with both Social Democrat Brazauskas and Conservative leader Andrius Kubilius claiming the right to form a government. Nonetheless, President Adamkus publicly announced today his preference for this outcome. Adamkus arranged a similar alliance with Rolandas Paksas in 2000; it proved short-lived.

Minority Government

18. (C) A third option which Brazauskas mentioned upon leaving his meeting with the President was to form a minority government of Social Democrats, New Union, and Liberal and Center parties. Under this scenario, the Conservatives would remain outside the government, but support many government initiatives.

Comment

19. (C) Brazauskas, not Adamkus, wields the real power in the coalition-building process. For him, the key question comes down to whether the Conservative or Labor Party will be out in the cold. The situation remains fluid, but our best guess is that he will opt for Labor as a partner. Given the ideological proximity of Brazauskas, Palauskas, and Uspaskich, such a coalition would probably prove more programmatically coherent and stable than the alternative. The underlying assumption by the established center-left in this scenario would be that the experience of governing would mature and mellow Labor.

110. (C) Uspaskich's early alliance with Prunskiene is an unsettling development in the post-election jockeying. Of all presidential candidates in this year's May elections, only Prunskiene spoke of reducing U.S. influence in Lithuania and in Europe (ref A). On October 5, after signing with all other political party leaders a pre-parliamentary election joint declaration of commitment to foreign policy goals, including strong transatlantic ties and increased cooperation with the USG, Prunskiene told the press she might want to revisit this goal.

111. (C) Politics, rather than a hidden agenda against us, probably motivates Uspaskich. We think that he announced his alliance with Prunskiene in order to present himself as controlling more votes than any other leader when he met today with President Adamkus. If Labor does reach government, Prunskiene, as one of many junior partners in a coalition, will not be well-positioned to change the pro-American course of Lithuania's foreign policy. In any event, under any possible scenario, we will work with old and new friends in the political arena to preserve our strong bilateral relationship.

KELLY